GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1368
ANSWERED ON:03.03.2000
DECLINE IN EXPORT
BRAJA KISHORE TRIPATHY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Indian Exports have started declining from the last one year particularly in textiles, leather goods, gems and jewelleries;

(b) if so, the reason therefor; and

(c) whether the Government propose to provide some relief to the exporters of such items so that the situation can be improved; and

(d) if so, the details thereof?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)
(a)&(b) No, Sir. As per the provisional data received from the Directorate General of Commercial Intelligence and Statistics,exports have increased by 12.9% in US $ terms during April-Dec, 1999 over the same period of the previous year. Exports of textiles, and gems & jewellery grew by 12.04% and 22.08% respectively in US $ terms during April-Oct, 1999 over the same period of the previous year. However, exports of leather and manufactures have shown a decline of 7.64% during the same period.
Mass closure of tanneries in Tamil Nadu and current depression in the international market on account of unfavourable economic conditions especially in European market have contributed to the downfall of leather exports.

(c)&(d) A number of steps have been taken to further enhance the export growth which include reduction in transaction cost through decentralisation, simplification of procedures and various other measures as enumerated in the Exim Policy. Steps have also been taken to promote exports through multilateral and bilateral initiatives, identification of thrust sectors and focus regions. Following commodity specific programme has been drawn for leather sector:-

(i) De-reservation of footwear industry to invite sufficient investment including foreign direct investments and joint ventures in this sector.

(ii) Development /upgradation of testing centres, eco-labelling and benchmarking.

(iii) Creation of modernization fund for upgradation of technology alongwith product development.

(iv) Upgrading/development of Testing Laboratories for leather and leather products.

(v) Developing trade information wing in the leather sector to analyze the global trends and to provide market intelligence, electronic data interchange to the exporters as well as importers about the leather industry within the country and abroad.